

**PROVINCE OF SASKATCHEWAN
MINISTRY OF ENVIRONMENT
MINISTERIAL APPROVAL
PURSUANT TO SECTION 39.1
*THE FOREST RESOURCES MANAGEMENT ACT***

**MISTIK MANAGEMENT LTD. AND L&M WOOD PRODUCTS (2018) LIMITED PARTNERSHIP
MISTIK 2019-2039 FOREST MANAGEMENT PLAN AMENDMENT #1**

WHEREAS Mistik Management Ltd. (hereinafter called "the Proponent") is proposing an amendment to the May 21, 2019, approved Forest Management Plan (FMP) for the Mistik Management Ltd. Forest Management Agreement (FMA) and the L&M Wood Products (2018) Limited Partnership FMA areas;

AND WHEREAS in accordance with the May 21, 2019 terms and conditions of the original Ministerial Approval that *the Proponent shall, within a year of the release of the Range Plan for Woodland Caribou in Saskatchewan (Boreal Plain Ecozone - SK2 West Caribou Administration Unit, hereinafter called "the Range Plan"), adapt the Mistik FMP based on the direction provided by the Range Plan for Woodland Caribou in Saskatchewan*; the Proponent has submitted an amended FMP covering the period of 2019 to 2039, consisting of: *Volume III: Plan Implementation Document*, dated April 2023 (collectively, hereinafter called "the Mistik FMP");

AND WHEREAS the Minister is satisfied that the strategic direction outlined for forest management in the Mistik Management Ltd. FMA and the L&M Wood Products (2018) Limited Partnership FMA areas will not result in significant environmental impact;

AND WHEREAS the Minister is satisfied that all the requirements of *The Environmental Assessment Act* have been met with the initial May 21, 2019, plan approval;

AND WHEREAS the Minister has concluded the amended Mistik FMP ought to be approved subject to terms and conditions;

NOW THEREFORE PURSUANT to Section 39.1 of *The Forest Resources Management Act*, Ministerial Approval is hereby given to the Proponent to proceed with the amended Mistik FMP subject to the following terms and conditions which form part of this Ministerial Approval:

1. The Proponent shall design, implement, operate and maintain the development in accordance with the measures outlined in the Mistik FMP and any commitments expressed therein, except where alterations are required by the subsequent terms and conditions.
2. The Proponent shall comply with all applicable legislation, regulations and the Saskatchewan Environmental Code (code) relevant to the approved development. Where the legislation, regulations or the code impose more stringent standards than those imposed by the specifications, mitigation measures and environmental protection measures described in the proposal, the Proponent shall comply with the more stringent

requirements of the legislation, regulations or the code.

3. The Proponent shall adapt their silvicultural ground rules as new knowledge on appropriate plantation density becomes available for achieving the desired softwood volume at rotation age, specifically white spruce in hardwood stands and softwood in mixedwood stands.
4. The Proponent shall, by May 21, 2026, complete a study that assesses the average historical fire-cycle on the Mistik Management Ltd. FMA and the L&M Wood Products (2018) Limited Partnership FMA areas.
5. The proponent shall, by May 21, 2026, complete a study that assesses the species-specific softwood sawlog degrade factors for the Mistik Management Ltd. FMA and L&M Wood Products (2018) Limited Partnership FMA areas.
6. The Proponent shall redevelop the FMP caribou strategy as part of the scheduled April 1, 2029, Mistik FMP redevelopment, unless federal or provincial regulatory requirements mandate an earlier revision. Any new caribou strategy must advance a scientifically defensible plan towards achieving and maintaining a self-sustaining woodland caribou population for which the current measure is 65 per cent undisturbed habitat. No preference will be given for any aspects of the current strategy, as new information and requirements will inform future caribou strategies.
7. This Ministerial Approval takes effect on April 1, 2023.

Dated at Regina, Saskatchewan this 20th of June, 2023

ISSUED BY:



Honourable Dana Skoropad
Minister of Environment

**REASONS FOR DECISION
MINISTRY OF ENVIRONMENT
PURSUANT TO SECTION 39.1
*THE FOREST RESOURCES MANAGEMENT ACT***

**MISTIK MANAGEMENT LTD. AND L&M WOOD PRODUCTS (2018) LIMITED PARTNERSHIP
MISTIK 2019-2039 FOREST MANAGEMENT PLAN AMENDMENT #1**

Introduction

The Forest Resources Management Act (FRMA) in Saskatchewan requires the holder of a Forest Management Agreement (FMA) to develop a Forest Management Plan (FMP) that covers the full term of the licence. Changes made to *The Environmental Assessment Act (The EA Act)* and *FRMA* now mean that an FMP approved pursuant to *FRMA* is deemed to have satisfied the requirements of *The EA Act*.

The EA Act states that a person shall not proceed with a development (as defined in *The EA Act*), until Ministerial Approval has been received. It further sets requirements for a process of environmental impact assessment intended to inform the Minister of the potential impacts of a development prior to making a decision regarding the development. The Forest Service is responsible for assessing whether the FMP meets the requirements of *FRMA* and sections 9 to 14 of *The EA Act*.

Mistik Management Ltd. (hereinafter called “the Proponent”) holds the FMA for the Mistik Management Ltd. FMA area. The Proponent has submitted an amendment to the FMP for the Mistik Management Ltd. FMA and the L&M Wood Products (2018) Limited Partnership FMA areas, located in west-central Saskatchewan. An FMP is revised every 10 years as a condition of the FMA. The FMP for the Mistik Management Ltd. FMA and the L&M Wood Products (2018) Limited Partnership FMA areas was initially approved on May 21, 2019, and remains in effect from April 1, 2019, to March 31, 2029, or until replaced by a new approved FMP. The Proponent submitted an amendment to fulfill a ministerial approval condition to adapt the FMP based on the direction provided by the Range Plan for Woodland Caribou in Saskatchewan (Boreal Plain Ecozone – SK2 Central Caribou Administration Unit, hereinafter called “the Range Plan”).

Public notice of the initial approved FMP was posted in April 2015. On March 6, 2019, the Proponent submitted an FMP that is inclusive of the requirements set out in an Environment Impact Statement (EIS) as defined by *The EA Act*. The FMP underwent both a technical review period and a 43-day public review. In 2023, the Proponent amended their FMP in fulfillment of the Minister’s approval condition to align the FMP with the Range Plan.

I am therefore satisfied that the Proponent has met the requirements of *FRMA* and *The EA Act*.

Background

The combined Mistik Management Ltd. and L&M Wood Products Ltd. FMA area is approximately 1.9 million hectares in size. Located north of the town of Meadow Lake extending north to the Kimowin River (north end of Peter Pond Lake), bordered on the west by the Alberta/Saskatchewan border and the Cold Lake Air Weapons Range and on the east by Dore Lake, Lac la Plonge and Lac Ile-a-la-Crosse. An additional portion of the FMP area is south of Meadow Lake. Some of the communities within the FMP area include Michel Village, Dillon, Ile-a-la-Crosse, Beauval, Cole Bay and Jans Bay.

The Proponent, Mistik Management Ltd., is a forest management company and FMA licensee. L&M Wood Products (2018) Limited Partnership (L&M), now known as NorthWind Forest Products LP, is a producer of forest products and an FMA licensee. L&M and the Proponent have a tenure management agreement in which the Proponent provides and oversees all of L&M's required forest management activities (planning, harvesting, hauling and silviculture) along with the production of this FMP. The Proponent commenced the FMP development process in April 2015 with participation from the Forest Service and received approval of their FMP Volume I document on Aug. 17, 2017. The Proponent's FMP Volume II documents were approved-in-principle on Jan. 31, 2019. The Minister approved the Proponent's FMP Volume III on May 21, 2019.

With the October 2021 release of the Range Plan, the Proponent was required to amend their FMP to bring it into alignment with the Range Plan. A submission date of Feb. 1, 2023 was established as per the FMP Workplan.

Environmental Assessment

Public notice of the FMP was first given in April 2015, pursuant to Section 10 of *The EA Act*.

The proponent's FMP Volume III document and the Forest Service Technical Review Comments (TRC) document were made available for public inspection from March 23, 2019, to May 4, 2019, pursuant to Section 11 of *The EA Act*. After both a technical review and a 43-day public review period, the Proponent's FMP Volume III document was deemed satisfactory. This FMP amendment expands upon information contained in the current approved document and is a requirement of an approval condition applied to the FMP and is consistent with the terms and conditions applied to the original development approval.

Having made my decision to issue a Ministerial Approval pursuant to *The EA Act*, section 15(2) requires me to state the reasons for my decision.

Reasons for Decision

Potential Impacts

The FMP process differs from a typical development considered under *The EA Act* as it was

developed over a four-year period with active collaboration between the Proponent and the Forest Service. This, however, should not be interpreted as an all-encompassing agreement on the part of the ministry with the management approaches proposed in the FMP; but simply the view that any remaining issues can be managed through the ongoing regulatory relationship or terms and conditions that might follow from a decision made pursuant to *FRMA*.

The FMP Volume III document submitted by the Proponent describes the development and its potentially adverse impacts on the environment. In this regard, the main potential impact from this development would be to woodland caribou habitat.

The federal woodland caribou recovery strategy requires 65 per cent suitable habitat to sustain a viable caribou population. The province assessed the woodland caribou habitat in the Boreal Plain Ecoregion in three stages (East, Central and West) and the SK2 West Range Plan for Woodland Caribou in Saskatchewan was approved October 2021. The Proponent's strategy is to defer harvesting in areas with greater amounts of high to moderate caribou habitat potential (Tiers 1 and 2) for a period ranging from 20 to 50 years. Tier 1 areas will be deferred from harvesting for the next 20 years, and in several Tier 1 and 2 areas for the next 50 years, with the remaining Tier 2 areas scheduled for a 30-year deferral at year 2043. Harvest event planning and minimizing road networks in non-deferral areas will reduce the extent of disturbance and create more natural patterns across the landscape. Caribou sightings by the Proponent's staff and contractors will be reported to the ministry to support ongoing population monitoring.

For the most part, the FMP aligns with the requirements established in the FMP standard (2017). However, the Proponent proposed alternatives to seral stage targets and in-block retention levels. These proposals were based primarily on a literature review of the historical average fire cycle, derived from the study by Andison (2006). The Proponent contends that their proposal will result in a forest structure that is a closer representation of the natural range of variation of these attributes (age and retention) for the FMA area. Although the Forest Service deemed this approach acceptable for this FMP, the Proponent will need to complete a licence-specific study to assess the fire cycle by May 21, 2026.

The technical reviewers are of the opinion that the proposed FMP represents a sound approach to sustainable forest management based upon the current scientific knowledge related to sustainable forest management practices in Canada.

Engagement Activities

The Proponent carried out extensive public engagement activities during the development of this FMP, including two rounds of public consultation. The FMP Volume III document adequately addresses all concerns raised during the engagement activities. During the public review period a request was made for access to the tactical plan maps, follow-up questions were posed on the timing of potential harvest, operating plan approval process and subsequent operating plan engagement timing. With the permission of the individual posing the questions, their contact information was provided to the Proponent for inclusion in Mistik's

stakeholder database. No additional comments were received during the public review period.

On February 28, 2022, the Proponent notified Rightsholders and stakeholder groups of the FMP amendment, including Indigenous communities, villages/hamlets, councils, and boards. Meetings were held with eight Rightsholders and stakeholder groups throughout 2022 and early 2023 related to the FMP amendment. Discussions focused on the proposed caribou strategy, FMP planning process, forest renewal, protection of medicinal/culturally significant plants, cultural values, deferral areas, impacts to caribou, harvesting contractors and harvest levels. Mistik also published a newspaper ad on March 3, 2022, to gain more public interest and to notify the general public of the amendment.

The Proponent conducted a field tour with their Public Advisory Group (PAG) in spring 2022, which focused on woodland caribou management and renewal after forest harvest. The Proponent also presented the FMP amendment to their PAG in fall of 2022. The PAG had no concerns with the proposed amendment.

The Forest Service holds the responsibility for the duty to consult process as directed by *The Government of Saskatchewan's First Nation and Métis Consultation Policy Framework*. The Forest Service identified and contacted 46 potentially impacted Indigenous communities during the development of the FMP.

These 46 communities were first notified in April 2015 of the commencement of the FMP development. Registered duty to consult letters were then issued following the release of each of the Proponent's staged deliverables, specifically:

- November 2016 – following the release of the FMP Volume I Background document for review that included an offer to attend a regional meeting in Meadow Lake on Dec. 15, 2016;
- January 2019 – notification of the approval-in-principle for the Volume II document and an offer to attend a regional meeting, to review the draft tactical plan maps, in Meadow Lake on Feb. 14, 2019; and
- March 2019 – following the release of the draft FMP Volume III document and tactical plan maps.

In April 2019, phone calls were made to the potentially impacted Indigenous communities to notify the communities of the commencement of the public review and pending approval process. These phone calls were intended as a consultation opportunity to inform the government of any potential impacts to Aboriginal rights to hunt, fish and trap for food, and carry out traditional uses. Decision letters, recognizing the approved FMP, were mailed on June 24, 2019.

In March 2023, 42 communities were notified, through registered duty to consult letters, of the FMP amendment request. The number of communities consulted with differs from the approved 2019 FMP due to two Métis Local vacancies and two that no longer exist. Throughout

March to May 2023, the Forest Service, accompanied by the Ministry of Government Relations, Aboriginal Consultation Unit, met with two First Nation communities and one Métis Region. The Forest Service also received three community responses.

To date, broad concerns have been expressed related to the duty to consult process, engagement efforts, seed sources, access management, deferral timelines as well as reclamation and restoration activities. The Proponent has since revised the seed source indicator to specify that there is no variance allowed for genetically modified seeds and has committed to meeting with the respective community to address concerns related to access management and reclamation activities. Questions were also raised regarding harvest locations, proponent ownership, economic opportunities, environmental assessments, and compensation for commercial activities. However, no FMP amendment concerns were identified related to the potential adverse impacts on the exercise of Treaty and Aboriginal rights, such as the right to hunt, fish, and trap for food, and the carrying out of traditional uses.

On May 9, 2023, the Forest Service, the Lands Branch, Caribou Unit and the Ministry of Government Relations, Aboriginal Consultation Unit, met with one Métis Local within Western Region 1, as requested by the community, to discuss the Range Plan and how it integrates with forestry. No concerns with the FMP amendment have been identified by the community related to the potential adverse impacts on the exercise of Treaty and Aboriginal rights.

No accommodation strategies have been proposed at this time. The FMP does not directly authorize any work to be done on the ground. Future duty to consult opportunities will be made available to Indigenous communities as the Proponent seeks approval for detailed operating plans that identify harvesting activities at a block level for a period of 1 to 5 years.

Conclusion

The Saskatchewan Ministry of Environment is satisfied that, if the mitigative and environmental protection measures outlined in the FMP are implemented, and if appropriate terms and conditions are imposed as presented in my approval, adverse effects can be minimized, and benefits enhanced. This conclusion is based on the Proponent's commitments as documented in the FMP, on the ability of the Minister of Environment to impose specific conditions at this time, and on the knowledge that additional environmental protection requirements can be imposed through terms and conditions forming part of permits and licences required by *FRMA* and other provincial legislation.

I have concluded that any adverse environmental effects associated with the Mistik 2019-2039 Forest Management Plan Amendment #1 can be eliminated or minimized. Approval under *FRMA*, therefore, has been granted to the Proponent for the development as described in the FMP.

The Ministerial Approval for the development includes terms and conditions designed to promote the elimination and control of adverse environmental effects associated with the project. Included are requirements that the Proponent:

1. Shall design, implement, operate, and maintain the development in accordance with the measures outlined in the FMP and any commitments expressed therein, except where alterations are required by the subsequent terms and conditions.
2. Shall comply with all applicable legislation, regulations, and the Saskatchewan Environmental Code (code) relevant to the approved development. Where the legislation, regulations, or the code impose more stringent standards than those imposed by the specifications, mitigation measures, and environmental protection measures described in the proposal, the Proponent shall comply with the more stringent requirements of the legislation, regulations, or the code.
3. Shall adapt their silvicultural ground rules as new knowledge on appropriate plantation density becomes available for achieving the desired softwood volume at rotation age, specifically white spruce in hardwood stands and softwood in mixed wood stands.
4. Shall, by May 21, 2026, complete a study that assesses the average historical fire-cycle on the Mistik Management Ltd. FMA and the L&M Wood Products (2018) Limited Partnership FMA areas.
5. Shall, by May 21, 2026, complete a study that assesses the species specific softwood sawlog degrade factors for the Mistik Management Ltd. FMA and L&M Wood Products (2018) Limited Partnership FMA areas.
6. Shall redevelop the FMP caribou strategy as part of the scheduled April 1, 2029, FMP redevelopment, unless federal or provincial regulatory requirements mandate an earlier revision. Any new caribou strategy must advance a scientifically defensible plan towards achieving and maintaining a self-sustaining woodland caribou population for which the current measure is 65 per cent undisturbed habitat. No preference will be given for any aspects of the current strategy, as new information and requirements will inform future caribou strategies.

These terms and conditions, the measures proposed in the FMP, and the regulatory framework applicable to the development, now and in the future, are adequate to address all issues related to this development.

Dated at Regina, Saskatchewan, this 20th day of June 2023.

ISSUED BY:


Honourable Dana Skoropad
Minister of Environment